

**15E.194 Distress criteria.**

1. An enterprise zone may be designated by a county which meets at least two of the following criteria:

a. The county has an average weekly wage that ranks among the bottom twenty-five counties in the state based on the 2000 annual average weekly wage for employees in private business.

b. The county has a family poverty rate that ranks among the top twenty-five counties in the state based on the 2000 census.

c. The county has experienced a percentage population loss that ranks among the top twenty-five counties in the state between 1995 and 2000.

(1) For purposes of this paragraph "c", prison population shall be excluded in the population loss calculations.

(2) If a county not otherwise qualified to participate in the enterprise zone program qualifies as a result of excluding the county's prison population, a business engaged in the production of ethanol or biodiesel in the county, notwithstanding its status as an eligible business under section 15E.193, shall not be eligible for assistance under section 15E.196.

d. The county has a percentage of persons sixty-five years of age or older that ranks among the top twenty-five counties in the state based on the 2000 census.

2. An enterprise zone may be designated by a city which meets at least two of the following criteria:

a. The area has a per capita income of twelve thousand six hundred forty-eight dollars or less based on the 2000 census.

b. The area has a family poverty rate of twelve percent or higher based on the 2000 census.

c. Ten percent or more of the housing units are vacant in the area.

d. The valuations of each class of property in the designated area is seventy-five percent or less of the citywide average for that classification based upon the most recent valuations for property tax purposes.

e. The area is a blighted area, as defined in section 403.17.

3. a. A city may designate an area of up to four square miles to be an enterprise zone if the area is a blighted area as defined in section 403.17 and the area includes or is located within four miles of at least three of the following:

(1) A commercial service airport.

(2) A barge terminal or a navigable waterway.

(3) Entry to a rail line.

(4) Entry to an interstate highway.

(5) Entry to a commercial and industrial highway network as identified pursuant to section 313.2A.

b. An eligible housing business under section 15E.193B shall not receive incentives or assistance for a home or multiple dwelling unit built or rehabilitated in an enterprise zone designated pursuant to this subsection.

4. The economic development authority shall certify eligible enterprise zones that meet the requirements of subsection 1 upon request by the county, subsection 2 upon request by the city, or subsection 3 upon request by the city, as applicable.

5. a. A city of any size or any county may designate an enterprise zone at any time prior to July 1, 2012, when a business closure or permanent layoff occurs. The business closure or permanent layoff must involve the loss of full-time employees, not including retail employees, at one place of business totaling at least one thousand employees or four percent or more of the county's resident labor force based on the most recent annual resident labor force statistics from the department of workforce development, whichever is lower. A permanent layoff does not include a layoff of seasonal employees or a layoff that is seasonal in nature. For purposes of this paragraph, "permanent layoff" means the loss of jobs to an out-of-state location, the cessation of one or more production lines, the removal of manufacturing machinery and equipment, or similar actions determined to be equivalent in nature by the authority. A permanent layoff must occur on or after February 1, 2007. The enterprise zone may be established on the property of the place of business that has closed or imposed a permanent layoff and the enterprise zone may include an area up

to an additional three miles adjacent to the property. The area meeting the requirements for enterprise zone eligibility under this subsection shall not be included for the purpose of determining the area limitation pursuant to section 15E.192, subsection 4. The closing business or business creating a permanent layoff shall not be eligible to receive incentives or assistance under this division. An eligible housing business under section 15E.193B shall not receive incentives or assistance for a home or multiple dwelling unit built or rehabilitated in an enterprise zone designated pursuant to this subsection.

*b.* The area included in an enterprise zone designated under this subsection on or after June 1, 2000, may be amended to change the boundaries of the enterprise zone. Such an amendment must be approved by the authority within three years of the date the enterprise zone was certified.

97 Acts, ch 144, §4; 2000 Acts, ch 1213, §9, 10; 2002 Acts, ch 1145, §6; 2006 Acts, ch 1133, §6, 7, 10; 2007 Acts, ch 183, §1; 2008 Acts, ch 1032, §201; 2008 Acts, ch 1039, §1; 2010 Acts, ch 1136, §3; 2011 Acts, ch 118, §85, 89

Referred to in §15.119, 15A.1, 15E.192, 15E.193B, 15E.195, 15H.5